

The Georgia Statement

An informative quarterly of policies, trends and news of all agencies and employees in state government published by the Georgia Merit System

VOLUME 3, NO. 2

APRIL 2000

State Health Benefit Plan Offers PPO Option in place of Standard Option

With the rising costs of medical care for the some 560,000 people who are covered under the State Health Benefit Plan, the Department of Community Health made significant changes to keep the program sound. Overall medical costs have been increasing at a rate of 12.5 to 17% a year and premiums have not kept pace in spite of increases last year. In fact, the deficits exceeded 200 million dollars and the Governor devoted \$253 million from the state surplus to shore up the plan. Double-digit medical cost increases have affected the benefit plans all over the country. Most employers no longer offer plans like the Standard and High Option (indemnity plans) in which 75% of SHBP members are enrolled. It became obvi-

ous that to remain financially sound and to combat increasing costs and provide members quality care, the plan had to make some changes.

The employee cost for new PPO Option is \$45.10 single and \$131.72 for family coverage.

The new design is based on the Department of Community Health goals of maximizing the state's purchasing power, and developing a focus on wellness.

The biggest change is that the Standard Option is being replaced with a Preferred Provider Organization Option. This is a network of doctors, hospitals and other providers that have agreed to offer quality medical care and services at discounted rates. This large network of providers includes 94% of the doctors currently providing services to Standard and High Option members. That means if you are currently in one of these programs, you will most likely find your physician in the PPO network. Also, over 90% of the hospitals in the state of Georgia are included in this network.

The Standard PPO Option provides many advantages of the indemnity-type plans, like the High and former Standard



Flexible Benefits insert3-5



Look for your You Decide Book soon



Commissioner Marjorie Young accepts the Governor's Cup from Commissioner Michael Thurmond and Dianne Harnell Cohen, the Governor's Deputy Chief of Staff

Charitable Contributions Awards presented

Merit System wins coveted Governor's Cup

Charitable Contributions coordinators from across Georgia gathered in the Floyd Room atop the Floyd Building across from the capitol in Atlanta to celebrate another successful Charitable Contributions campaign. The final total for the 1999-2000 campaign was a record breaking \$2,728,480.

In a repeat of last year, Skidaway Island Institute of Oceanography and the Georgia Merit System won the Governor's Cups, the two top awards. These winners have the highest contribution per employee. The Governor's Award categories for state agency and university system has three categories—the largest increase in contributions award went to Georgia Tech and to the Department of Human Resources. The highest level of employee participation awards went to Atlanta Metro College and the Department of Administrative Services. The highest increase in percent of participation awards went to Southwestern State University and Phoenix Center CSB.



Four time Governor's Cup winner being accepted by William McChesney for Skidaway Institute of Oceanography from Commissioner Thurmond and Deputy Chief of Staff Cohen.

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Commissioner's Awards (state agencies and colleges/universities grouped by employee population and given on the same basis as the Governor's cups) were award as follows: for 1 to 100 employees the winners were the Employees' Retirement System, Ga. Commission on Equal Opportunity; 101 to 500 employees the winners were Department of Banking and Finance, Department of Community Affairs, Board of Regents of the University of Georgia System, Savannah State University, Armstrong Atlantic State University, Dalton State College; 501 to 1000 employees there winners were Department of Education and Georgia College and State University; 1001 to 9000 employees the winners were the Department of Revenue and Georgia State University; 9001 and over the winner was the University of Georgia.



The Partnership for a Smog-Free Georgia kickoff meeting was held in March and with it begins the campaign to limit the amount of harmful emissions into metro Atlanta's air. The ozone or smog season runs from May 1 til the end of September. Watch for announcements.

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Option plans. When you need care, you may make the decision to see a PPO network provider, including specialists. Or you may choose to see any licensed provider outside of the network, but if they are outside the network, your level of coverage will be reduced. Your in-network coverage is generally 90% and out-of-network coverage is generally 60%.

In the Standard PPO Option, the annual general deductible for an individual will be \$300 and for a family \$900. If you elect this option you will pay \$45.10 for individual coverage and \$131.72 for family coverage.

For complete information on all health plan changes and options, read the State Health Benefit Plan *UPDATER*.

Your lifetime benefit maximum has been increased to 2 million dollars. A Primary Care Physician or Specialist Office or Clinic visit for treatment of illness, injury or preventive care is 100% covered after a per visit copay of \$20. Out-of-network providers are covered at 60% of the allowable amount for illness and injury subject to the deductible, but preventive care visits are not covered out-of-network.

Some of the other covered services include 100% coverage of preventive lab work and tests up to \$500 per person per year and 90% coverage on lab and tests done in conjunction with treatment of illness or injury. Hospital services and outpatient surgery are covered at 90% of the network rate.

You may choose the PPO Choice Option that allows you to nominate a provider to be treated as in-network. The eligibility rules for the PPO

Choice Option are the same as for the Standard PPO Option, as are the benefits, other than the ability to nominate providers. The cost for this option is \$59.55 for single coverage and \$158.47 for family coverage.

If you choose to remain in the High Option Plan, your cost per month will go up significantly. The new high option premium will be \$110 for single and \$253 for family coverage.

Prescriptions are covered much the same as in the past. In the Standard PPO and PPO Choice Options, you pay 10% of the allowed amount after you have met the \$300 deductible. You might remember that in the former Standard Option, you paid 20%. Under the High Option you will still pay 10% after the deduct-

ible.

During Open Enrollment you must make some decisions about your health coverage. You need to read the State Health Plan *UPDATER* that goes into great detail about the new options. Any questions you might have can be answered at the Benefit Fairs that will be going on around the state. Or, you may call your payroll/personnel office or visit the Department of Community Health site at www.communityhealth.state.ga.us

Ask your personnel or payroll office about the State Benefit Health Plan video.

STATE EMPLOYEES DAYS @ 6 FLAGS Tickets Good Anytime in 2000

Please send me _____ tickets to Six Flags for our special days at the special price of **\$19.00** ea.
 (Allow at least 7 calendar days for processing and mailing.)
 Sale ends May 31, 2000, but tickets are good anytime in the 2000 Season.

Total Enclosed: \$ _____

Name: _____

SSN: _____-_____-_____

Address: _____

City: _____ St: _____ Zip: _____

Home /Office Phone: _____

Send order with check or money order and **Stamped Envelope** to:

State Employees Credit Union
 130 Memorial Dr., SW, Atlanta, GA 30303
 (404) 656-3748 Toll Free: 1-800-659-7328

The Georgia *Statement*

Deferred Compensation investment plans offers new fund choices

Because investment markets and the financial services arena have changed so rapidly in recent years, the Merit System recognizes the importance of constantly trying to improve benefits offered to state employees.

In November the Deferred Compensation Advisory Committee was formed. It is made up of representatives from several departments and agencies of state government. Along with Merit System staff and investment consultants, the Committee researched and evaluated numerous mutual funds and recommended adding several options, bringing the total available for investment to nineteen.

- New choices:
- Harbor Capital Appreciation Fund investing in large growth companies;
 - Euro Pacific Growth Fund investing in large international companies;
 - Columbia Real Estate Equity Fund, investing primarily in real estate investment trusts (REITS), which own office buildings, industrial properties, apartments; etc;
 - Ariel Fund investing in small companies;
 - Fidelity Spartan

Extended Market Index Fund, which seeks to replicate the Wilshire 4500 Index – an index of all U.S. common stocks that are not part of the S & P 500; and

Fidelity Spartan International Index Fund, which seeks to replicate the Morgan Stanley Capital International, Australian and Far East Index known as EAFE.

The investment lineup offers a broad range of individual funds from which to choose as well as three model portfolios for those investors who want to have a diverse portfolio, but aren't sure which individual funds to choose. The Model Portfolios are: Conservative Growth (low risk), Moderate Growth (moderate risk) and Aggressive Growth (higher risk.) All of the investment options are listed in the chart below with the new options shown in italics.

Participants should obtain a prospectus and review funds in detail before making investment decisions. A prospectus is neither required nor available for the Fixed Income Option and the three Model Portfolios.

\$30 a month can get you started in Deferred Compensation

Deferred Compensation investing is an excellent way to help you build financial security for retirement above and beyond your basic pension plan. Because your contributions and earnings are tax-deferred, you gain significant advantages over conventional after-tax savings plans---and it takes as little as \$30 a month to get started. Remember you can sign up for Deferred Compensation at any time during the year.

Contact your personnel or payroll office to sign up for before-tax deductions. Visit our WEB site at www.state.ga.us/employee/deferred.asp for more information about Deferred Compensation and the investment options offered.

You can access your account at anytime over the phone or via the internet at www.state.ga.us/employee/deferred.asp

If you need assistance, please contact

Great-West at
1-800-701-8255

or Georgia Merit System
Deferred Compensation Administrative staff
at 1-800-331-7180

Deferred Compensation Investment Options			
	Value Style	Blended Style	Growth Style
Large Companies	Vanguard Windsor II Fund Dodge & Cox Stock Fund	Vanguard Institutional Index Fidelity Magellan Fund <i>Fidelity Spartan International Index</i> <i>Euro-Pacific Growth Fund</i>	<i>Harbor Capital Appreciation Fund</i>
Mid-Size Companies	<i>Columbia Real Estate Equity</i>	Fidelity OTC Fund United International Growth Fund <i>Fidelity Spartan Extended Market Index</i>	MFS Research Fund A
Small Companies		<i>Ariel Fund</i>	
Balanced Stock & Bond Funds		Dodge & Cox Balanced Fund	Vanguard Wellesley Income Fund
Model Portfolios	Conservative Portfolio		
	Moderate Portfolio		
	Aggressive Portfolio		
Stable Value Option	Fixed Income Option (FIO)		

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GeorgiaGain Survey Update

Sometime within the next few weeks, you may receive a questionnaire from Commissioner Marjorie Young of the Georgia Merit System. If so, you will be one of the 5% of state employees randomly selected to provide feedback about the effects of two very important state initiatives: GeorgiaGain and the Georgia Civil Service Reform Act (Act 816). Responses to the questionnaire will be very useful in efforts to better understand the impact of both of these major human resources initiatives. State employees are encouraged to be frank and prompt in responding. In an attempt to get reliable and honest information, the survey has been designed such that responses cannot be traced to individual survey participants.

FlexTrans ...another pre-tax benefit offered by the Georgia Merit System

Statistics reveal there are more commuters on the roads today than any other time in history and the need to improve the quality of air and conserve energy by reducing traffic congestion has become an integral part of maintaining a health environment. To help with these challenges, legislation known as "Qualified Transportation Fringe Benefits" was introduced under Section 132 of the Internal Revenue Code to allow employers to offer their employees qualified transportation and parking benefits.

The Georgia Merit System wants to take an active part in promoting healthy environmental conditions and provide State employees with the cost savings benefit offered under this legislation. Beginning in early summer, your State of Georgia payroll deduction for vanpool, MARTA Transcard, or parking will automatically be taken on a pre-tax basis. Visit our web site at www.gms.state.ga.us to learn more about *FlexTrans*.

Governor Roy Barnes Mentor/ Protege Initiative created

The Governor's Proteges initiative was created to assist entrepreneurs in becoming effective and successful in today's highly competitive business climate. Recognizing that technology and sophisticated business solutions drive today's business leaders, this program's aim is to facilitate teaming among successful large enterprises and growing smaller enterprises. The odds for success increase dramatically when those with proven competencies

are teamed with those desiring to learn. This pilot initiative will provide small businesses the tools and techniques to bid successfully on state contracts, secure additional venture capital, and identify strategies for overcoming slow growth. For more information, call 404-463-0696 or email, www.gagovernor.org/mentor.protege

Renaissance Festival

Spring Festival Special for State Employees

Saturdays and Sundays April 29 - June 11,
Memorial Day - May 31
10:30 A.M. to 6 P.M.

Adult tickets: **\$10.50**
Children 6-12: **\$5.00**
Children under 6 free

Send a self addressed, stamped envelope and check or money order payable to:
State Personnel Council
P.O.Box 47206

Deadline for ordering tickets is June 2, 2000



White Water Specials

Sponsored by the State Personnel Council

Sponsored by the State Personnel council

Discount prices on all advanced tickets.....\$17.50
(children under 3 admitted free)

Mail order, payment and self addressed, stamped envelope to:
State Personnel Council - P.O.Box 347206 - Atlanta, GA 30334

STATE EMPLOYEES DAYS @ 6 FLAGS Tickets Good Anytime in 2000

Please send me _____ tickets to Six Flags for our special days at the special price of \$19.00 ea.
(Allow at least 7 calendar days for processing and mailing.)
Sale ends May 31, 2000, but tickets are good anytime in the 2000 Season.

Total Enclosed: \$ _____

Name: _____

SSN: _____ - _____ - _____

Address: _____

City: _____ St: _____ Zip: _____

Home /OfficePhone: _____

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